

AN ACT

ENTITLED, An Act to revise certain provisions concerning the investment of public funds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 4-5-6.2 be amended to read as follows:

4-5-6.2. In addition to the investments permitted by § 4-5-6, any public funds which are not needed for current operating expenses may be invested in:

- (1) Direct obligations of any county, municipality, or school district in the state; and
- (2) Bonds issued by the South Dakota Housing Development Authority, the South Dakota Health and Educational Facilities Authority, or the South Dakota Building Authority.

The investments shall be registered in the name of the political subdivision or authority or held under a custodial agreement at a bank. The investments shall be rated at the time of purchase within the two highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions. Other than permanent, trust, retirement, building, and depreciation reserve funds, such securities as provided in subdivisions (1) and (2) shall mature with eighteen months from the date of purchase or be redeemable at par at the option of the holder within eighteen months from the date of purchase.

Moneys in any bond redemption fund may be invested only in the types of investments listed in § 4-5-6. The investments shall be due and payable on or before the date when the bonds for the payment of which the bond redemption fund was created become due and payable, except bonds of the United States redeemable at par.

No restriction in this section limits the investment authority otherwise granted under the laws of this state.

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I certify that the attached Act
originated in the

SENATE as Bill No. 104

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 104

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State